

# Approaching the End of the Mubarak Era: Egypt's Achievements and Challenges

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Egypt's overall policy is designed around the concept of "openness" (*al-infatah*), which was formulated 35 years ago by President Anwar el-Sadat and adopted by his successor, Hosni Mubarak. The premise of this policy is that there is a close connection between Egypt's social, economic, and demographic reality and its political and security strategy. Accordingly, Egypt's ability to cope with its domestic challenges is highly dependent on its political conduct. In its political and security aspects, this policy is grounded on a strategic partnership with the United States and a peaceful solution to the Arab-Israeli conflict, in accordance with the Israeli-Egyptian peace agreement and the establishment of a Palestinian state within the borders of June 4, 1967. In the economic realm this policy centers on advancing incrementally towards a market economy.

Signs of this process have been reflected in economic, social, political, and cultural changes. Since the early eighties the private sector has grown, the GDP has increased, and the market's average growth rate exceeded the average demographic growth, which declined significantly. The peace agreement with Israel brought unprecedented prosperity to the Egyptian economy. Tens of billions of dollars flowed into its depleted treasury, huge sums of money were erased from its national debt, advanced knowledge and technology became available, and new markets and trade agreements were opened to Egyptian goods. The state of peace led to a substantial

increase in Egypt's revenues as a result of an unprecedented rise in tourism (which constitutes a major source of income for millions of Egyptians), Suez Canal toll revenues, and the export of oil and gas (from reserves located in part in the Sinai territories evacuated by Israel) – all critical components of the Egyptian economy. Furthermore, extensive quality military aid significantly upgraded the Egyptian military. A serious escalation in relations with Israel and the US might critically harm these assets, and as such, Egypt's most important national interests.

At the same time, the economic openness has had negative effects on large parts of Egypt's population, estimated at 84 million. The government's available resources are limited, and the pressure on the country's infrastructures and services has grown. An inefficient bureaucracy, poor planning, and increased corruption have had negative impacts. Together with the economic openness came a dramatic increase in the cost of living, ongoing reduction in commodities and fuel subsidies, and a serious increase in unemployment (15-20 percent in recent years) – mainly among those with a higher education. A significant gap has emerged between production and local export and the import of merchandise and technology; the Egyptian pound has declined; and the policy of privatization of public companies and assets has failed. These developments have led to even wider gaps between the wealthy and the poor, and nurtured a growing frustration within large segments of the population faced with their inability to breach the circle of poverty and despair. The slow rate of increase in local production and the limited resources have created a situation of ongoing dependence on external aid (mainly American), the World Bank, and the International Monetary Fund.<sup>1</sup>

The effects of the openness policy were apparent in the struggle between the Egyptian government and its domestic rivals. As part of the expanded political pluralism, political parties renewed their activities, and elections were held for the parliament as well as for the local authorities, trade unions, and recently (2005) for the presidency. The openness is also apparent in the expanding fields of media and advertising and in the government's increased tolerance towards its critics. Civil society gradually resumed activity in various areas, after years in which these activities were stifled. Leaders proclaimed their commitment to advance political pluralism,

amend the constitution, and assist disadvantaged populations hurt by the market's economic changes.

In practice, however, there was a significant gap between this rhetorical commitment and the measures taken to implement it. The key goals held by the ruling establishment (civilian and military) and the Egyptian elite were and remain the continuation of the existing governmental and constitutional order, and preservation of Hosni Mubarak's influence in public and parliamentary circles. The regime was willing to adopt changes as long as they did not significantly undermine its control in the political arena and its ability to shape Egyptian policy as it saw fit. The centers of power – headed by the security services, the military, and the bureaucracy – are governed exclusively by President Mubarak and the National Democratic Party (NDP), and allow the regime to use strong measures to supervise and restrain opposition elements. The opposition is limited by laws and regulations, particularly the laws on political parties, the press, and states of emergency. The legislative and executive authorities are completely controlled by the ruling party. Severe restrictions on freedom of speech are occasionally imposed on the opposition parties, and local and international organizations repeatedly report violations of free speech and human rights. Newspapers and non-governmental publications are still subject to severe restrictions and largely operate at the mercy of the regime. Yet despite the government's efforts to limit its domestic opponents' room to maneuver, the opposition elements have various ways to express strong criticism of the Egyptian government, Egyptian policy on internal affairs, foreign affairs and defense, and the leaders' impotence in dealing with Israel and the US. In this political reality most citizens act as a "silent majority" when it comes to taking a political stand.

### **Internal Political Tension**

The most recent presidential and parliamentary elections (September-December 2005) symbolized the dawn of a new phase in the struggle between the Egyptian regime and its domestic opponents. The future of the ruling government, Egyptian policy on various issues, and the struggle over a successor to Mubarak were in question. On the one hand, the 2005 elections were characterized by an atmosphere of openness, constitutional

amendments that for the first time allowed more than one candidate for the presidency, intensive public political activity, and the growing anticipation of significant change. On the other hand, the regime was determined to prevent its domestic rivals from achieving any goals that might undermine the existing political ruling order.<sup>2</sup>

The opposition factions, and mainly the Muslim Brotherhood movement, share three demands: amendment of the constitution to prevent the president and the ruling party from absolute control of the political and parliamentary scene; cancellation of the state of emergency in place for almost three decades; and liberalization of the media, which is now subject to heavy governmental control.

Although as expected President Mubarak won a fifth term, the parliamentary election results were highly surprising. The ruling party candidates failed in dozens of districts, and only due to the efforts of the regime leaders was a coalition formed based on independent candidates and the NDP delegates, which together claimed a majority (75 percent) in the parliament. The opposition parties suffered an even worse failure, with only fourteen of their delegates elected. On the other hand, the Muslim Brotherhood reached an unprecedented achievement of 88 delegates in the parliament – almost six times their representation in the previous parliament. This achievement might have been even greater had the government not disrupted the third round of elections.

At the end of the election year the Egyptian leadership faced a serious dilemma as to the future of the political reform, based on two possible courses of action. The first involved continuing the political and constitutional reforms, restoring NDP public status, and adopting a policy of containment vis-à-vis their political rivals – mainly the Muslim Brotherhood. This approach could jeopardize the NDP control in the parliament and in most of the local authorities. The presidency would remain under its control for now, but its hold would be weakened and exposed to constant threat from political rivals. This move could have generated a change in the political balance of power in Egypt and its policy. The second approach required an indefinite freeze of the political and constitutional reform, minimizing the opposition's freedom of action, and initiating a direct, open conflict with its main elements, especially the Muslim Brotherhood. The regime leaders

would continue to profess allegiance to the principles of democracy and promotion of political and constitutional reforms. This move would ensure that the present government stays in power, while a strong message would be delivered to the Egyptian public in general and to regime opponents in particular that the regime will not hesitate to use all available means to prevent a change in the rules of Egypt's political game.

Soon enough it became clear that the regime had chosen the second approach. The regime escalated its struggle against its political opponents, mainly the Muslim Brotherhood, which was portrayed as an illegal organization exploiting religion and the naiveté of ordinary citizens to promote their political goals. In many official statements the significant differences between this Islamic political movement and militant groups, such as the jihad, Hizbollah, and even al-Qaeda were intentionally blurred. Large amounts of money and property were confiscated and restrictions on movement were imposed on many activists – some were forbidden to leave the country. Hundreds of activists (including several officials) were arrested and tried before military courts, which in quick and controversial judicial procedures sentenced them to heavy punishments.

### **Relations with Israel**

The Egyptian regime perceives the peace with Israel through the prism of the “openness” policy. According to Egyptian policymakers, peace with Israel was intended to be a cornerstone for a just and comprehensive peace between Israel and the Arabs, including the Palestinians. The term “comprehensive peace” refers to agreements that will lead to the end of the Arab-Israeli conflict and a reshaped balance of power in the Middle East. In this framework, the Arab states will agree to recognize Israel and its right to security within the borders of June 1967, while Israel will retreat from the territories occupied during the Six Day War, with an option for minor adjustments agreed on by both sides. In the Palestinian context, Israel will be required to recognize the right of the Palestinian people to self-determination, establishment of an independent state with al-Quds (East Jerusalem) as its capital, and an agreed resolution of all the permanent status issues.

Similar to Israel, official Egyptian spokespersons view the peace accord as a “strategic choice.” Both countries insist on fulfilling their commitments in accordance with the peace agreement (including the military appendix), excluding the normalization of ties between the two countries. Indeed, the Egyptian regime is adamant about retaining the peace agreement with Israel. Even in times of severe crisis, including the second intifada and during and after Operation Cast Lead, President Mubarak rejected calls to reexamine Egypt’s commitment to the peace process in light of actions carried out by Israel.

Israeli-Egyptian relations have also known mutual disagreements – from the Taba crisis to the Azzam Azzam affair – and the countries differ in their approach to dozens of normalization agreements signed by them. Egypt in effect froze the implementation of these agreements, claiming they could not be implemented in the reality of a political freeze and the escalated conflict between Israel and the Palestinians. Public surveys show that Israel’s image among the Egyptian public is extremely negative, with the Israeli government and society often portrayed in a hostile manner by the media. Furthermore, Egypt is concerned about Israel’s military advantage, and makes special effort to neutralize its nuclear advantage. Since the mid-eighties, Egypt has worked to promote an initiative that would lead to a nuclear demilitarized Middle East, while demanding that Israel join the Nuclear Non-Proliferation Treaty (NPT).

Israel and Egypt do not see eye to eye on developments in the Middle East, particularly ways to overcome the various regional crises. The standard Egyptian contention is that the continuation of the settlement enterprise and the strong arm policy that Israel uses in the Palestinian territories prove that Israel is not willing to pay the price for peace. This behavior perpetuates the instability in the region and serves the interest of countries and organizations pursuing a militant agenda. The continuation of this negative process also threatens Egypt’s essential interests, as seen in Egypt’s attitude toward the crisis in the Gaza Strip. Moreover, Cairo perceives ongoing activity by Israeli and pro-Israeli elements (headed by AIPAC) as aiming to taint Egypt’s image in the eyes of the US government, for example even demanding that the US reduce its military aid to Egypt.

## **The Crisis in the Gaza Strip**

In recent years, Egypt's policy vis-à-vis the ongoing crisis in the Gaza Strip has gone through significant changes. Egypt's strong opposition against the establishment of a "mini state" led by Hamas within the borders of the Gaza Strip has intensified since the establishment of Ismail Haniyeh's government, following the Hamas victory in the Palestinian National Council elections (January 2006). The Hamas takeover of Gaza along with the expulsion of Fatah rivals the following year was described by Egypt as a "military coup," and Egyptian spokespersons labeled some of the actions taken by Hamas as a threat to Egyptian national security. In coordination with Israel, Egypt reinforced its forces along the border with the Gaza Strip, showing greater determination to curb the smuggling through Sinai and strongly objecting to a regular opening of the Rafah crossing (which connects the Gaza Strip and Egypt and is not under Israeli control), claiming that opening the crossing will be possible only if the conditions from the 2005 agreement are kept. In the internal-Palestinian debate, Egypt sided with the Palestinian Authority leadership and blamed Hamas for the failure to reach an agreement on Palestinian reconciliation.

Egypt's failed efforts to mediate between Israel and Hamas over the extension of the calm (*tahdiya*), followed by Israel's Operation Cast Lead in the Gaza Strip, challenged Egypt's leadership. While condemning the Israeli offensive, particularly the massive use of force and the high number of casualties, Egypt – in uncharacteristic fashion – also held the Hamas leadership responsible for the outbreak of the crisis and claimed that its mistaken policies provided Israel with a reason to attack Gaza. Underlying this message is Egypt's fundamental objection to the Hamas government in the Gaza Strip, which resembles Israel's objection and is based on the concept that Hamas is a terrorist organization that should be forcefully overthrown or at least be curtailed in its capacity to govern.

As the Israeli attack continued and the number of casualties in Gaza mounted, more criticism towards Egypt's policy was sounded in the Arab media. Egypt was portrayed as cooperating with the Israeli-imposed closure and as turning a cold shoulder to the bitter suffering of the million and a half Palestinians living in Gaza. Egypt was the target of harsh criticism from the Arab League and particularly from the spokesmen of the resistance camp,



including Iran, Hizbollah, Hamas, and the Muslim Brotherhood. The latter vigorously criticized Mubarak's policy and pointed out his incompetence in dealing with the severe crisis near Egypt's eastern border. These spokesmen described the Israeli attack as a massacre, and demanded that Egypt open the Rafah crossing, expel the Israeli ambassador from Cairo, and recall the Egyptian ambassador from Tel Aviv. In the midst of Operation Cast Lead, Hizbollah secretary general Hassan Nasrallah released the harshest Arabic public criticism against Egypt and defiantly called for the Egyptian people and the security forces to demonstrate publicly and voice their objection to the policy of the regime. Nasrallah's statement was perceived by Cairo as a parroting of the slurs hurled at Egypt and President Mubarak by Iran's leadership. Egyptian spokesmen called Nasrallah an Iranian agent, and his statements were termed "a declaration of war on the Egyptian people."

On April 8, 2009, a terror network operating under Hizbollah threatening Egyptian national and security interests was exposed. The 49 operatives working on behalf of Hizbollah were accused of planning terrorist acts, damaging Egypt's national security, and committing acts of subversion against the regime. The timing of the affair's exposure and the manner in which it was described indicated that in the eyes of Egypt's decision makers there was more in question than the mere exposure of another group suspected of initiating terrorist acts.

Egypt's implication of Iran in this affair brought the crisis with Tehran (ongoing for three decades) to a new low point, and revealed the significant difference in their respective political agendas. Since the Islamic Revolution, Iran's policy has been driven by opposition to US measures in the Middle East and by the principle of armed struggle against Israel. In contrast, Egyptian policy is based on cooperation with the US and commitment to the peace agreement with Israel. The Egyptian leadership is portrayed in Tehran as serving the interests of the US and Israel. In turn, Iran is described in Cairo as a factor that destabilizes the Middle East, working to undermine Arab regimes and instigating civil war between Muslims, Sunnis, and Shiites. A host of crises have pitted Egypt and Iran against one another, and for a long time no diplomatic ties existed between the two countries. Since the Second Lebanon War, and particularly during last year's crisis in the Gaza Strip, the exchange of verbal blows between Cairo



and Tehran has intensified. With the exposure of the Hizbollah affair, the Egyptian regime was able to garner domestic support in its struggle against rivals at home and abroad. The massive media attack against the resistance camp bore fruit, and soon enough a public consensus was formed against the subversive involvement of Iran and Hizbollah. Increasing criticism against the leaderships of Hamas and the Muslim Brotherhood was heard and the two movements were forced into a defensive position vis-à-vis the Egyptian public.

In early 2009, the Egyptian regime was compelled to adopt a public posture regarding the newly elected leaderships in Israel and the US. Egypt minimized its criticism of the Obama administration's appeasement policy towards Iran, and praised the American president for his determination to settle the Israeli-Palestinian conflict on the basis of a two-state solution. At the same time, Mubarak sent his right hand man, Omar Suleiman, to meet with the members of the new Netanyahu government, and the Israeli prime minister and defense minister were invited to work meetings in Egypt. Cairo noted with satisfaction statements by Israeli leaders on Egypt's importance in the region. In turn, Israel emphasized Suleiman's harsh criticism of Iran and Tehran's portrayal as the most threatening factor to Middle East stability.

These channels of dialogue cannot obscure the different political agendas of the two countries, especially regarding measures to resolve the Israel-Palestinian conflict. Nonetheless, the dialogue has exposed the mutual objection to the continuation of Hamas's rule in the Gaza Strip. In this context, unprecedented security agreements were achieved in order to maximize the struggle against smuggling from Egypt into the Gaza Strip. Indeed, following Operation Cast Lead a dramatic change occurred in Egypt's policy towards Hamas and the deepening crisis in the Gaza Strip. The leadership ordered the construction of a steel barrier deep in Sinai along the border with the Gaza Strip, and instructed its forces to take firm action against any attempt to breach the Egyptian border.<sup>3</sup> These measures were intended to reduce smuggling via the tunnels, even though at the same time they might worsen the already severe distress of a million and a half residents in the Gaza Strip and lead to an unforeseeable degree of escalation.

Planting the steel barrier in the Sinai soil and securing the Rafah crossing are in line with the ongoing demand by Israel and the US that Egypt should act more decisively to block the smuggling channels from its territory to the Gaza Strip. However, these measures should also be examined in context of two scenarios that have long threatened Egypt's decision makers. The first is an invasion of hundreds of thousands of Palestinians into the Sinai territory following an Israeli attack or a humanitarian crisis in the Gaza Strip. The second scenario relates to political plans, originating mainly in Israel, whereby the permanent agreement will demand that Egypt contribute its share by allocating areas of Sinai to be annexed to the Palestinian state. The recent measures taken by Egypt are intended to obstruct these scenarios.

The *Mavi Marama* episode on May 31, 2010 added to Egypt's anger towards Israel. Immediately after the incident, Mubarak ordered the opening of the Rafah crossing to commercial goods and people. When Israel informed Egypt a few days later of its decision to allow food and other items – barring weapons – into the Gaza Strip, the Egyptian regime saw this dramatic shift in policy as a worrisome expression of aimlessness on the part of the Netanyahu government. The concern that Israel will try to shift responsibility for the Gaza Strip onto Egypt has increased, and in several public statements President Mubarak stressed that Egypt would not accept any such scenario. Should this tension continue, it may undermine some of the understandings that have been achieved between Israel and Egypt vis-à-vis the Gaza Strip and taint the connections that have been nurtured over the last few years with much effort.

### **Looking Ahead: The Question of Succession**

On March 6, 2010, President Mubarak was admitted to the Heidelberg Hospital in Berlin, where according to an official statement he underwent surgery to remove his gall bladder. The wave of rumors surrounding the 82-year old president's health continued even after his return to Egypt three weeks later and the debate surrounding succession returned to the focus. In parallel, the Egyptian political arena is abuzz preparing for the parliamentary elections later in 2010 and the presidential election in the summer of 2011.

In recent years Gamal Mubarak has become the most influential persona in the ruling party except for his father, the president. The initiatives that he promoted as the head of the Policy Committee in the NDP, his public statements, and the wide coverage they have received in the semi-establishment media have all cultivated his image as a reformer striving to bring comprehensive change to his country. Mubarak's son is identified with the Egyptian financial elite and there is no doubt of his control of the NDP. However, he is not seen as close to the military, the intelligence establishment, and the internal security agencies, which are heavily tied to the Egyptian regime. While Husni Mubarak managed to control these centers of power, his son's lack of experience might interfere in his own attempt to do the same.

There is broad opposition to Gamal Mubarak's potential ascent to power, but the opposition is too divided to choose a presidential candidate. Dr. Mohamed El-Baradei, former director general of the International Atomic Energy Agency and Nobel Peace Prize winner, announced his intention to compete as an independent candidate for the presidency and demanded amendments to the constitution to allow a just election procedure. Both his candidacy and his urge for reform are widely supported, but the chance that the demands will be accepted by the leadership is slim. The change within the Muslim Brotherhood leadership in early 2010 also has major implications for the political circle. The "reformers" who led the movement to its historical achievement in the 2005 parliamentary elections were excluded from any position of power and the movement's leadership shifted to the conservative side, which supports reducing the involvement in the political arena. This dramatic change within one of the biggest opposition movements makes it significantly easier for the regime's leadership to rule the political arena in Egypt.

The succession question also preoccupies government leaders. President Mubarak, whose own position is of central importance, is faced with three main options. The first is announcing early retirement from the presidency, holding the elections earlier than planned, and inviting the other parties to take part in a "democratic" presidential election. This option could insure Gamal Mubarak's candidacy as the head of the ruling party. However, this move will require Husni Mubarak to gain the support of the military,

intelligence, and internal security leaders and to closely monitor the process of transferring power. Although it would be possible to earn this support, Mubarak's avoidance of this step over the years indicates the risk involved. The second option is holding the elections at the scheduled time and announcing his support for a new NDP candidate on the eve of the elections. A third option would be for Husni Mubarak himself to run for a sixth term.

Throughout the thirty years of his rule Husni Mubarak has been extremely cautious in decision making and has avoided unnecessary risks. He initiated amendments to the constitution that grant a huge advantage to the ruling party candidate and undermine the opposition's chances to offer a candidate of its own. The most significant challenge he faces on the succession issue is ensuring the support of the leaders of the defense establishment for his chosen candidate. It is possible that he has so far avoided declaring his support for Gamal's candidacy due to uncertainty concerning the support of security top brass. In such a situation, Husni Mubarak might opt to run for another term.

In the event of a severe deterioration in the president's health or his death, the leaders of the government and the security forces will be required to agree on a candidate who will subsequently be presented as the NDP candidate. Under these circumstances, the chances that Gamal Mubarak would become the ruling party's candidate are slim, and it is much more likely that a candidate with a proven security background would be chosen.

The significance of these scenarios is that despite the opposition's discontent, the rules of the political game in Egypt are not about to change, and the hopes that a candidate of their choosing will assume the presidency are not realistic. As for general Egyptian policy, the commitment to the guideline of "openness" will continue and naturally will be welcomed in Washington, Jerusalem, and Ramallah.

Towards the end of Husni Mubarak's long presidential era, significant achievements based on his policies are evident. At the same time, substantial challenges, both domestic and external, await his successor in the presidential palace. The government and security forces assure the continuation of the ruling order in Egypt, but they do not guarantee automatic broad public support. The conditions of tens of millions of

citizens are worsening, and thus the criticism of the regime has sharpened. The demand for swift and overall change in the rules of the political game is shared by different sectors in the Egyptian society, and these cannot be solved by rhetorical commitments to democratization and ongoing oppression of the opposition.

### Notes

- 1 In light of the 1991 Gulf War and the US need to guarantee Egypt's support in the war against Iraq, some of the creditors – led by the US – agreed to erase about \$30 billion of Egypt's debt in return for its participation in the war effort. Nonetheless the national debt continued to rise, and by the early nineties totaled approximately \$50 billion.
- 2 For an analysis of the elections and a discussion of issues including amendment of article 76 in the constitution, see Yoram Meital, "The Struggle over Political Order in Egypt: The 2005 Elections," *Middle East Journal* 60, no. 2 (Spring 2006): 257-79.
- 3 The plan is to construct a 13.8 km steel barrier starting from the beach in the north until Kerem Shalom in the south, which will be buried in an average depth of about 20 meters. The barrier will be made of massive steel plates attached with sensors monitoring voice and ground movements.